
AGENCY RESPONSES

Appendix 2

- **Department of Social and Health Services**
- **Office of Financial Management**



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Olympia WA 98504-5000

RECEIVED

January 27, 1999

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JLARC

Thomas M. Sykes
Legislative Auditor
Joint Legislative Audit and Review Committee
501 16th Avenue Southeast
Olympia, Washington 98504

Dear Mr. Sykes:

Thank you for the opportunity to respond to the Joint Legislative Audit and Review Committee (JLARC) management audit of the Division of Developmental Disabilities (DDD).

I am particularly pleased that the study team's audit concluded there were no fundamental problems in the current operations of the Division, and the earlier difficulties leading to this audit have been corrected.

In answering a number of key audit questions about DDD, the auditors reached the following conclusions:

Provisos: The team concluded that four of the five provisos audited were implemented in keeping with legislative intent. Implementation of the fifth proviso also is meeting legislative intent but funds provided to be spent in the last 90 days of FY 98 were underspent.

Planning and Forecasting: The team concluded that the Division has a plan to address unmet need. The plan was the result of a significant effort working with stakeholders and using research to forecast capability to meet client needs.

Case management: The audit reports that the Division's client to case manager ratio is much higher than the national average.

Communications with Stakeholders: The auditors found that communication between the division and legislators, legislative staff and developmental disabilities constituents are generally effective. The audit also reported that communications with stakeholders have improved over time and that the division does not intentionally mislead decision-makers.

Following are specific comments in response to the four recommendations:



RECOMMENDATION	AGENCY POSITION	COMMENTS:
<p><u>Recommendation 1: Concur</u></p> <p>The Division of Developmental Disabilities should reflect an array of variable possibilities ranging from high to low when projecting needs for case managers to fully manage Division caseloads and for funds to meet unmet needs of clients.</p>		<p>The division will work with the DSHS Division of Research and Data Analysis to provide a range of options of numbers of additional case managers needed to perform the necessary activities to support the division's caseload. For each range of staff the Division will identify the activities that will be performed by the added staff and the programs that will be affected to address unmet service needs. It should be pointed out that the estimate in the report already reflects a middle range. The unmet need level is only one third of the total estimate. The case manager to client ratio of 65:1 is considerably above the national average of 45:1. Therefore, the estimates used are in fact moderate ones.</p>
<p><u>Recommendation 2: Concur</u></p> <p>The Division of Developmental Disabilities should link estimates of resources needed to performance measures indicating varying levels of service and quality of outcomes anticipated with changes in funding or staffing.</p>		<p>The Division will link estimates of resources needed to performance measures. The division is participating with 13 other states in a national project to identify and measure key core indicators. The project's aim is to develop nationally recognized performance and outcome indicators that will enable a state DD program to benchmark the performance of its service system against performance levels achieved in other states. These performance measures will also enable the Division to track system performance and outcomes for year to year on a consistent basis. While the link of resource allocation to performance measure needs to be done, the studies already done strongly support the need for additional resources. This point does not require additional studies.</p>

<p><u>Recommendation 3: Partially Concur</u></p> <p>The Division of Developmental Disabilities should strengthen its quality assurance process by developing a quality assurance manual and designating key staff to be responsible and accountable for the overall process.</p>	<p>The division agrees that it needs to strengthen its quality assurance. However, given the heavy workload now faced by staff in the field and recognized in this audit the Division cannot reassign field staff to address quality assurance without sacrificing current case management even further. The Division will continue to seek funding to add staff to improve quality assurance.</p> <p>The 1997-99 budget, the current budget request and the recommendations presented in the stakeholder's report all recognize the need for added funding for quality assurance staff. The Division will at this time designate one staff member to develop a more comprehensive approach to quality assurance based on the information provided in this JLARC audit. The Division, working with stakeholders, will consider the need for a quality assurance manual, analyze current quality assurance activities and consider alternative approaches to quality assurance. Staff will present recommendations to DD management over the next several months. These recommendations will form the basis for a budget request in the 2000 budget.</p>
<p><u>Recommendation 4: Concur</u></p> <p>The Division of Developmental Disabilities and the Department of Social and Health Services (DSHS) should increase efforts of coordination between divisions and among other entities outside of DSHS to improve coordination at the case management level. This can be done by sharing current best practices and by considering systemic changes for more coordinated service delivery.</p>	<p>The Division recognizes the need to continually improve communications with all interested parties. While the JLARC audit concludes that much has been done in this area we agree that it is a continuing effort. The Division will implement the JLARC suggestion to share best practices on a broad basis. The Division will also continue and increase where possible coordination with its service delivery colleagues and stakeholders and implement changes that would further improve communications.</p>

Thomas M. Sykes
January 27, 1999
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Thank you for a thorough and helpful audit of the Developmental Disabilities program. It provides us with a number of suggestions which will improve service and efficiency to many of our most important citizens over the coming years.

Sincerely,

A handwritten signature in black ink, appearing to read "Lyle Quasim", written in a cursive style.

LYLE QUASIM
Secretary

cc: Ed Hidano, Assistant Secretary, DSHS-HRSA
Timothy R. Brown, Ph.D., DDD



STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT

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January 25, 1999

RECEIVED

JAN 29 1999

JLARC

Thomas M. Sykes, Legislative Auditor
Joint Legislative Audit and Review Committee
Post Office Box 40910
Olympia, Washington 98504-0910

Dear Mr. Sykes: *Tom*

I am writing in response to your request for the Office of Financial Management's formal response to the preliminary reports of the Washington State Quality Assurance of In-Home Care Services and the Department of Social and Health Services' Division of Developmental Disabilities audits as presented to the Joint Legislative Audit and Review Committee on January 8, 1999.

The Department of Social and Health Services has responded to the findings in this report. The Office of Financial Management does not have anything to add to their response.

Thank you for the opportunity to review the preliminary report.

Sincerely,

A handwritten signature in cursive script that reads "Dick".

Dick Thompson
Director

DT:GA:dh